

### Part II

### 2011-12 Budget Conference Committee on SB 69

Assembly Member Bob Blumenfield, Chair Senator Mark Leno, Vice Chair

Members: Assembly Member Felipe Fuentes, Assembly Member Diane Harkey, Assembly Member Jim Nielsen, Assembly Member Nancy Skinner Senator Bob Huff, Senator Alan Lowenthal, Senator Gloria Negrete McLeod, and Senator Bill Emmerson

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Issue	Description	Difference	<b>Conference Action</b>
	<del>-</del>	(dollars in thousands)	

### Non-Budget Act Item K-12 Inter-Year Payment Deferral - Language

TBL **Governor** proposed placeholder trailer bill language to implement a **\$2.1** billion inter-year deferral of K-12 revenue limit payments to local educational agencies for 2011-12. The Governor's placeholder language defers revenue limit payments from July 2011 to July 2012.

Senate approved the \$2.1 billion inter-year payment deferral, and signaled intent to modify trailer bill language to narrow the timeframe for the K-12 inter-year payment deferral from 2011-12, while also addressing the state's cash needs.

Assembly approved \$2.1 billion inter-year payment deferral, and signaled intent to modify trailer bill language to mitigate the length of the deferrals.

Language Comments: Both houses intended to move this issue to Conference
Senate Committee to provide more time to work with the Administration to modified trailer bill language for the K-12
Assembly inter-year payment deferral for Modified TBL

Difference Language

Issue	Description	Difference	<b>Conference Action</b>
	<del>-</del>	(dollars in thousands)	

### 6110-234-0001 K-3 Class Size Reduction (CSR) Appropriation – Language

The Governor's Budget appropriates \$1.275 billion for
 the K-3 CSR program in 2011-12. The Governor proposes to schedule \$704.6 million for K-3 CSR in the budget bill in 2011-12. (The Governor's Budget schedules the remaining \$570 million in the budget trailer bill as payment deferrals for CSR for 2011-12.)

In 2010-11, the K-3 CSR program was converted to a statutory appropriation for one year. Per the adopted statute, the 2010-11 funding level for the program is determined by the Superintendent of Public Instruction (SPI).

The Senate approved the Governor's budget proposal.

The Assembly approved a statutory appropriation for the K-3 CSR program in 2011-12 instead of the \$704.6 million budget bill appropriation and \$570 million deferral payment proposed by the Governor. Per the statutory appropriation, the SPI would certify the amount of funding needed for the program in 2011-12.

Language Comments: The statutory appropriation for the 2010-11 K-3
Senate CSR program increased by \$85.2
-- million above estimated levels.
Assembly

Difference TBL

**TBL** 

Issue	Description	Difference	<b>Conference Action</b>
	<del>-</del>	(dollars in thousands)	

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The Governor proposes to continue the veto of \$6.5 million in federal funds from the 2010-11 budget bill for support of two statewide education data systems -- the California Longitudinal Pupil Achievement Data System (CALPADS) and the California Teacher Integrated Data Education System (CALTIDES).

The Governor continues to set-aside vetoed federal funds and proposes that any future funding decisions are pending a review of the CALPADS and CALTIDES via an interagency working group.

The Senate authorizes **\$2.946 million** in federal funds (set aside from the veto) for CDE state operations to continue implementation and development of CALPADS in 2010-11.

The Assembly approved the Governor's Budget proposal.

[Both houses acted to delay funding decisions for 2011-12 until after May Revise to reflect conclusions of an interagency working group requested by the Governor.]

2010-11 Veto
Restoration

Restoration

Senate
(CDE) for support and development
\$2,946 of CALPADS and \$3.5 million for
TBL CALTIDES.

Assembly Roth houses acted to send the 2010.

Assembly Both houses acted to send the 2010\$0 11 funding issue to Conference
Committee to continue negotiations
Difference on partial restoration of federal
\$2,946 funds in the current year to keep the
TBL CALPADS and CALTIDES
projects on track. Per CDE,
CALTIDES funds are no longer

needed in 2010-11.

6120	California State Library		
Issue	Description	Difference (dollars in thousands)	Conference Action
6120-	101-0001 California State Library		
003	Eliminate State Support for Local Libraries	Senate	There are 181 local library districts
	Governor proposed a \$30.4 million General Fund	-\$30,390	<b>3</b>
	reduction to the local libraries funding, which would	A ssembly	districts receive more than five percent of their funding from the
	eliminate funding for:	-\$3,000	
	1. Public Library Foundation (\$12.9 million	42,000	
	General Fund) – Core operational assistance to	Difference	The Literacy Program served over
	local libraries. Used to maintain staffing and hours of operation.	-\$27,390	, 1 1
	2. California Library Services Act (\$12.9 million		adults and 46,983 children).
	General Fund) – Funds resource sharing and		The federal great for the State
	reimburses public libraries for loans to people		The federal grant for the State Library is based on the last three
	living outside their jurisdiction.		years of State General Fund suppor
	3. English Acquisition and Literacy Program (\$4.5		for the libraries. The federal grant
	<b>million General Fund</b> ) – Provides community-		is used for state operations

centered literacy assistance to English-speaking adults who did not gain literacy in traditional settings.

**Senate** approved as budgeted.

Assembly approved an unallocated reduction of \$1.5 million to Public Library Foundation, \$1.5 million to Library Services Act, and funding restoration to the English Acquisition and Literacy Program.

is used for state operations. Currently, the federal grant is \$19.7 million. If the \$30.4 million cut is approved and not restored in future years, by 2014-15 the federal grant will drop to zero.

Issue	Description	Difference	<b>Conference Action</b>
		(dollars in thousands)	

#### 6440-001-0001 University of California

001 **Budget Reduction Language** 

Senate BBL

**Governor** proposed an unallocated reduction of \$500 million to the University of California system.

Assembly TBL

**Senate** approved the Governor's unallocated reduction with budget bill language expressing Legislative intent to minimize enrollment impacts and requiring the UC to report on March 1, 2012 on how the budget reduction was

Difference Language

implemented.

**Assembly** approved the Governor's unallocated reduction with placeholder trailer bill language with reporting language on what reductions the UC intends to take and how the reductions were actually implemented.

Also approved trailer bill language specifying an enrollment target of 209,977 full time equivalent students for 2011-12.

6440 University of California

Issue	Description	Difference (dollars in thousands)	Conference Action
004	<b>Employee Compensation Language</b>	Senate	
		No action	
	Governor had no proposal.		
		Assembly	
	Senate did not take action.	BBL	
	<b>Assembly</b> approved budget bill language redirecting \$3	Difference	
	million to fund the scheduled increase in employee	BBL	
	retirement contributions and the increased personnel cost		
	for specified employees.		

6600 I	Hastings	College	of the Law
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Issue	Description	Difference (dollars in thousands)	Conference Action
6600-	001-0001 Hastings College of the Law		
005	Redesignate State Support for Student Financial Aid	Senate	
		\$6,935	
	Governor proposed \$6.9 million General Fund for	Schedule	
	Hastings College of the Law.	Change	
	Senate approved the Governor's proposed funding level	Assembly	
	and shifted all General Fund to a new schedule "Student Financial Aid".	\$6,935	
		Difference	
	<b>Assembly</b> approved as budgeted.	\$0	
	v 11	Schedule	
		Change	

### **California State University**

Issue	Description	Difference (dollars in thousands)	<b>Conference Action</b>
6610-	001-0001 California State University		
002 006	Budget Reduction Language  Governor proposed an unallocated reduction of \$500 million to the California State University (CSU).	Senate BBL	
	Senate approved the Governor's unallocated reduction	Assembly TBL	
	with budget bill language expressing Legislative intent to minimize enrollment impacts and requiring the CSU to report on March 1, 2012 on how the budget reduction was implemented.	Difference Language	
	<b>Assembly</b> approved the Governor's unallocated reduction with placeholder trailer bill language with reporting language on what reductions the CSU intends to take and how the reductions were actually implemented.		
	Also approved trailer bill language specifying an enrollment target of 331,716 full time equivalent students for 2011-12.		

6610 California State University

Issue	Description	Difference (dollars in thousands)	<b>Conference Action</b>
006	Implementation of Budget Reduction	Senate	
	•	\$0	
	Governor had no proposal.		
	• •	Assembly	
	<b>Senate</b> scored these funds for savings in 2011-12.	\$75,000	
	<b>Assembly</b> approved trailer bill language to shift \$75	Difference	
	million of CSU 2010-11 General Fund funds to 2011-12,	\$75,000	
	thus alleviating the CSU 2011-12 budget reduction.	·	

6870	California Commun	ity Colleges
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Description	Difference (dollars in thousands)	<b>Conference Action</b>
101-0001 California Community Colleges		
101 0001 Gamerina Geninanity Genegee		
Decouple Fee Revenue from Financial Aid Support	Senate	
•	\$0	
Governor proposed trailer bill language to decouple fee		
revenue from financial aid support.	Assembly	
	\$2,900	
<b>Senate</b> approved as budgeted.	. ,	
	Difference	
<b>Assembly</b> rejected the Governor's request and augmented	-\$2,900	
	4-92 0 0	
	101-0001 California Community Colleges  Decouple Fee Revenue from Financial Aid Support  Governor proposed trailer bill language to decouple fee	101-0001 California Community Colleges  Decouple Fee Revenue from Financial Aid Support  Senate \$0  Governor proposed trailer bill language to decouple fee revenue from financial aid support.  Assembly \$2,900  Senate approved as budgeted.  Difference Assembly rejected the Governor's request and augmented the financial aid program by \$2.9 million by taking the

### 6870-101-0001 California Community Colleges

6870 California Community Colleges

Issue	Description	Difference (dollars in thousands)	Conference Action
209	Federal Family Education Rights and Privacy Act		SB 1298 (Simitian) was enacted to
	(FERPA)	Not Heard	establish a K-20 longitudinal system. It was recently discovered
	Governor had no proposal.	Assembly TBL	<b>3</b> &
	Senate did not hear the issue.		data with the Department of
	<b>Assembly</b> approved trailer bill language that would allow community colleges to share student information with other schools, researchers, and auditors consistent with the federal Family Education Rights and Privacy Act (FERPA).	Difference TBL	Education. If this technical change is not approved in the trailer bill process, the changes will have to be made through the legislative process and placed in effect until January 1, 2012.

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**California Community Colleges** 

**Assembly** approved as budgeted.

Issue	Description	Difference (dollars in thousands)	Conference Action
6870-	301-6049 California Community Colleges		
600	Capital Outlay	Senate	
		\$0	
	Governor proposed General Obligation bond funding fo	r	
	three capital outlay projects:	Assembly	
	1. Santa Clarita Community College District, College	\$48,168	
	of the Canyons, Administration and Student		
	Services Building, Construction and Equipment:	Difference	
	\$6.855 million	\$48,168	
	2. San Francisco Community College District, City	,	
	College of San Francisco Performing Arts		
	Complex, Construction and Equipment: \$38.247		
	million		
	3. Coast Community College District, Orange Coast		
	College, Music Building Modernization,		
	Construction: \$3.489 million		

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7980	0-1:fi-		A : _I	<b>Commission</b>	
/MXII	(:alitornia	Student		Commission	
1000	- Calliol Illa	OLUGUIL	$\neg$		

Issue	Description	Difference (dollars in thousands)	Conference Action
7980-	101-0001 California Student Aid Commission		
001	CalGrant Awards for Private Career College Students	Senate	In 2009-10, the California Student
		-\$40,000	Aid Commission (CSAC) offered
	Governor had no proposal.		20,278 students CalGrant awards to
		Assembly	attend a private for-profit college.
	Senate approved trailer bill language to limit the amount	\$0	
	of the CalGrant award at a private for-profit college to the		In 2009-10, CSAC funded \$94
	equivalent public institution CalGrant level (\$1,551	Difference	million in CalGrant awards for
	annually for certificates and two-year degrees and \$4,884	\$40,000	students attending private for-profit
	for four-year degrees).		colleges. During that same year,
			CSAC funded \$78.2 million in
	Assembly did not hear the issue.		CalGrant awards for students attending California community colleges.

Issue	Description	Difference (dollars in thousands)	<b>Conference Action</b>
		,	

#### 4265-001-0001 State Support, Department of Public Health (DPH)

007 California Health Interview Survey (CHIS). Senate -\$572

\$572

CHIS is the most comprehensive source of health information on Californians. The survey provides information for the entire state and most counties on a variety of health topics for California's diverse population, focusing on access to health care, health insurance coverage, health behaviors, mental health treatment, cancer screening, and other health issues.

Assembly \$672

Difference

**Governor**. Provided \$672,000 General Fund for CHIS within the Department of Public Health. These funds are matched with federal funds within the Department of Health Care Services (DHCS) for a total expenditure of \$1.3 million (total funds).

**Senate**. Reduced by \$572,000 General Fund due to fiscal crisis and the need to provide direct health care services to people. Other alternative funding could be made available, including non-profit foundation support, or other State Special Funds which could be used for this purpose. The federal fund appropriation within the DHCS remains available as a match.

**Assembly**. Approved as budgeted.

Issue	Description	Difference	Conference Action
	_	(dollars in thousands)	

#### 4300-101-0001 Community-Based Services, Department of Developmental Services

#### **TBL** Proposed Statewide Purchase of Service Standards.

Governor. Proposes broad trailer bill for development of Statewide Purchase of Services (POS) Standards. It provides sweeping authority to DDS to discern what core aspects of the Statewide Standards should be and provides for limited interaction with the public and deliberative processes of the Legislature. The budget assumed a reduction of about \$423 million (GF) from this action, coupled with other unspecified actions to achieve reduction level.

**Senate**. Proposes trailer bill language for DDS to develop best practices as specified and to provide the fiscal and policy committees of Legislature, by no later than May 15<sup>th</sup>, with estimated cost savings and draft statutory language necessary to implement the changes. Language requires DDS to involve stakeholders. Senate assumes reduction of \$150 million (GF) from development of POS best practices.

**Assembly**. Proposes trailer bill language for DDS to develop standards that obtain a reduction of \$150 million and to provide the Legislature, by no later than May 15<sup>th</sup>, with draft statutory changes. Language requires stakeholder workgroups. Assembly also assumes reduction of \$150 million (GF) from development of Statewide POS Standards.

Senate \$150,000 TBL

Assembly \$150,000 TBL

Difference \$0 TBL

Issue	Description	Difference (dollars in thousands)	<b>Conference Action</b>
4440-0	001-3085 Department of Mental Health (DMH) <i>and</i>	Conforming /	Actions
TBL &  DOF Letter	State Administrative Support: Mental Health Services Act (Proposition 63, of 2004).  Mental Health Services Act (MHSA) allows up to 5 percent of total annual revenues for State administrative expenditures to support the DMH, the Oversight and Accountability	3.5% cap (need to allocate)  Assembly 3.5% cap	Both Houses agreed to cap State administration at 3.5 percent, but deferred reductions pending receipt of Administration's Finance Letter.
Letter	Commission (OAC) and other State entities.  Governor. January budget allocated 5 percent for State support, which based on updated revenue, was \$11 million (MHSA Funds) <i>over</i> budget. A late Finance Letter proposes to provide a total appropriation of <i>only</i> \$19.1 million (MHSA Funds), or a reduction of \$30.5 million, by proposing to:	(need to allocate)  Difference Finance Letter	
	<ol> <li>Reduce State support by \$30.5 million (MHSA Funds) and 143 positions;</li> <li>Modify the role of the DMH; and</li> <li>Modify the role of the OAC.</li> </ol>		
	Trailer bill language is proposed but has <i>not</i> been provided.		
	<b>Senate.</b> Adopted trailer bill language to reduce the 5 percent cap to 3.5 percent, and held harmless the OAC from reduction, <i>but did not yet allocate reduction</i> across the State departments. A 3.5 percent cap provides for a total appropriation of \$26.7 million (MHSA Funds).		

**Assembly.** Conformed to Senate action.

Issue	Description	Difference	Conference Action
		(dollars in thousands)	

Senate

-\$1,800

\$1,800

\$0

#### Long-Term Care, Department of Mental Health 4440-011-0001

101 **Expansion of Psychiatric Program at CA Medical** Facility—Vacaville.

> **Governor.** Increases by \$7.5 million (GF) to support 80 Assembly new positions to increase capacity of the Vacaville Psychiatric Program administered by the Department of Mental Health (DMH). Difference

DMH is increasing capacity at Vacaville in order to accelerate the activation schedule for 64 beds in the Intermediate Treatment Program as requested by the Coleman Court. DMH contends the positions are needed to meet the September 2011 schedule.

**Senate.** Adopted LAO recommendation to reduce by \$1.8 million to account for a phase-in of the 80 positions based on Vacaville activation schedule provided by DMH. The reduction reflects a 25 percent reduction.

**Assembly.** Approved as budgeted.

years old who opt to remain in foster care under AB 12

newly available federal financial participation.

(Chapter 559, Statutes of 2010) will have the option of living in "THP-Plus foster care," among other placement types, with

3100	Department of Social Services		
Issue	Description	Difference (dollars in thousands)	<b>Conference Action</b>
5180-15′	1-0001 Department of Social Services		
301 <b>T</b>	<b>Cransitional Housing Program-Plus (THP-Plus)</b>	Senate \$14,000	
	<b>Governor</b> proposes a reduction of \$19 million GF, or ver 50 percent of the program's funding, to THP-Plus.	Assembly \$0	
aı	<b>enate</b> approved \$5 million of the proposed reduction nd budget bill language regarding the intent to maintain rogram availability and infrastructure in the budget year.	Difference \$14,000	
A	Assembly approved the Governor's proposal.		
st po cl w	THP-Plus provides up to two years of transitional housing and upport services to former foster youth ages 18 to 24. At one oint last year, there were 1,400 young adults and 168 of their hildren in THP-Plus in 52 counties. The proposed reduction yould eliminate 650 beds. Beginning January 1, 2012 and hased in annually through 2014, youth from 18 up to 21		

0860	<b>Board of Equalization</b>
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<b>Issue Description</b>	Difference (dollars in thousands)	Conference Action
0860-001-0001 Board of Equalization		
006 Headquarters Building Rent Increase	Senate	
-	\$0	
Governor proposed an increase in funding to accou	nt for	
a rental increase anticipated as a result of the sale of	Assembly	
bonds to refinance the building. Current rent is base	d on -\$2,134	
interest only payments. The bonds have not yet beer	ı sold	
and the interest cost is unknown.	Difference	
	\$2,134	

Senate took no action.

**Assembly** denied without prejudice.

Issue	Description	Difference	<b>Conference Action</b>
		(dollars in thousands)	

### 2150-001-0298 Department of Financial Institutions

001 Banking Examination and Consumer Services

Senate \$302

**Governor** proposed to establish four existing banking Examiner positions as permanent, and to add three new customer service positions.

Assembly \$352

The Governor's proposal includes \$50,000 from special funds for the ongoing support of the consumer database that is used to maintain complaint records for the administering of the Consumer Services Program.

Difference \$50

**Senate** approved making the banking Examiner positions permanent, and approved the customer service positions as two-year limited-term. Senate rejected \$50,000 in contract funds.

**Assembly** approved making the banking Examiner positions permanent, and approved the customer service positions as two-year limited-term.

Issue	Description	Difference (dollars in thousands)	Conference Action
8885-	295-0001 Commission on State Mandates		
200	<b>Brown Act – Open-Meeting Mandate</b>	Senate -\$53,300	
	<b>Governor</b> proposes suspension of the Brown Act mandate for 2011-12. The Administration estimates this action would result in General Fund savings of \$63.3 million, which is the amount due in 2011-12 for	Assembly \$0	
	prior-year claims. This mandate requires local governments to post agendas three-days prior to public hearings and to disclose actions taken in closed sessions. Under the constitution, either the prior-year claims must be fully paid or the mandate suspended.	Difference \$53,300	
	<b>Senate</b> rejected suspension of the mandate and adopted a placeholder funding level of \$10 million (or a reduction of \$53.3 million) to place the issue before the budget conference committee.		

**Assembly** rejected suspension of the mandate and funded the full 2011-12 reimbursement obligation of \$63.3 million.

Issue	Description	Difference	<b>Conference Action</b>
	_	(dollars in thousands)	

### 8955-001-0001 California Department of Veterans Affairs

301 **Delay Opening of Redding and Fresno Veterans Homes Until 2012-13**  Senate \$24,800 GF

Governor proposed a net GF increase of \$39.8 million for the Veterans Homes of California (VHCs), including: (1) an augmentation of \$32.1 million for full-year and one-time adjustments to phase-in staffing and residents at the existing and new VHCs in Greater Los Angeles Ventura County, Redding, and Fresno; (2) \$4.7 million for furlough and personal leave program reductions which are only reflected in the 2010-11 fiscal year; and (3) \$9.3 million for increased lease-revenue bond payments for VHC-Greater Los Angeles Ventura County. The expenditures are offset by an increase of \$3.8 million in GF revenue.

Assembly \$39,800 GF

Difference \$15,000

GF

**Senate** approved, contingent on federal approval, to delay the opening of the Redding and Fresno VHCs until the 2012-13 fiscal year, saving an estimated \$15 million GF in 2011-12.

**Assembly** approved the Governor's budget proposal.

## CS 3.91 Reductions in State Operations

Issue	Description	Difference (dollars in thousands)	Conference Action
Contr	ol Section 3.91 Reductions in State Operations		
501	Additional Contract Savings	Senate	
	Governor proposed \$200 million GF savings (\$363	\$275,000	
	million all funds) achieved through departmental	Assembly	
	consolidations, operational efficiencies, and other cost	\$300,000	
	reduction measures, such as reducing contracts.	TBL	
	Senate approved the Governor's proposal plus an	Difference	
	additional \$75 million GF savings to be achieved through	\$25,000	
	information technology and other operational efficiencies.	TBL	
	<b>Assembly</b> approved the Governor's proposal plus an additional \$100 million GF savings (and placeholder trailer bill language) through review of contracting-out of state services.		

Issue	Description	Difference	Conference Action
	<del>-</del>	(dollars in thousands)	

#### 

101

100	3 3
102 103 104	<b>Governor</b> proposed a \$200 million unallocated reduction to trial court funding.
105	Senate allocated proportionate share of cut to state operations and adopted BBL that directs the following offsets: (1) \$147 million transfer from two construction funds with allocation determined by the Judicial Council, (2) \$20 million reduction in Facilities Modification spending, (3) \$2 million from Court Interpreter Program carryover savings. Also, adopted BBL specifying use of up to \$95 million of trial court fund balances and \$10 million from planned Court Case Management System (CCMS) expenditures.

**Budget Bill Language for Unallocated Reduction.** 

Assembly allocated proportionate share of cut to state operations and adopted BBL that directs the following offsets: (1) \$110 million transferred from the Immediate and Critical Needs Account, (2) \$30 million transferred from the State Courts Facilities Construction Fund, (3) \$20 million reduction in Facilities Modification spending (to effectuate 1 and 2), and (4) \$39 million transferred from the Judicial Administration Efficiency and Modernization Fund.

Senate \$0

Assembly \$0

Difference

\$0

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0250	Judicial	Branch)
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0230	(Judiciai Branch)		
Issue	Description	Difference (dollars in thousands)	Conference Action
)250-	101-0932 Judicial Branch		
101	Court Case Management System.	Senate	
		\$0	
	Governor did not have a proposal.		
	1 1	Assembly	
	Senate adopted budget bill language requiring the	\$0	
	Administrative Office of the Courts, utilizing existing	Ψ •	
	funds, to retain an independent consultant to perform an	Difference	
	assessment of the California Court Case Management	\$0	
	System (CCMS) before acceptance of the product from	ΨΟ	
	the vendor and before deploying CCMS to any courts.		
	<b>Assembly</b> adopted the same language as trailer bill		
	language.		

0250	(Judicial Branch)
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Issue	Description	Difference (dollars in thousands)	Conference Action
0250-	101-0932 Judicial Branch		
103	Public Contract Code Trailer Bill Language.	Senate	
		\$0	
TBL	Governor did not have a proposal.		
		Assembly	
	Senate did not hear this issue.	\$0	
	Assembly adopted trailer bill language that subjects the	Difference	
	courts, including the Judicial Council and the	\$0	
	Administrative Office of the Courts, to the provisions of		
	the Public Contract Code.		

5225	<b>Corrections and Rehabilitation</b>
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**Description Difference Conference Action Issue** (dollars in thousands)

#### 5225-001-0001 **California Department of Corrections and Rehabilitation** 5225-002-0001

131 Northern California Reentry Facility.

> \$0 Assembly

> > -\$1,053

Senate

**Governor** proposed to place the Northern California Reentry Facility (NCRF) on warm shutdown, meaning the facility would not be opened as planned in December 2012. The Governor proposed warm shutdown because of the state's fiscal condition. Under this proposal, the department would reclassify or redirect five positions to maintain the facilities infrastructure systems.

Difference \$1.053

**Senate** denied without prejudice.

**Assembly** reduced funding for NCRF by \$1.1 million based on new information provided by the administration finding that it could achieve savings from reducing staffing levels that had been budgeted for pre-activation work.

Issue	Description	Difference	<b>Conference Action</b>
		(dollars in thousands)	

# 5225-001-0001 (California Department of Corrections and Rehabilitation) 5225-002-0001

#### 140 **Structural Shortfall.**

Senate \$245,182

Governor proposed \$395.2 million in CDCR to address underfunded areas of the department's budget that drive deficiencies. These areas of structural shortfall are (1) custody salaries funded at mid-step, (2) medical guarding and transportation, (3) unfunded swing space, (4) custody staff overtime, and (5) legal settlements and outside counsel.

Assembly \$145,182

Difference \$100.000

**Senate** reduced request by \$150 million. Also modified budget bill language to require that regular reports on the prison allotments and expenditures required to be provided to the Department of Finance also be provided to the Legislature.

**Assembly** reduced request by \$250 million.

5225	Corrections and Rehabilitation
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Issue	Description	Difference	Conference Action
		(dollars in thousands)	

\$0

5225-001-0001 (California Department of Corrections and Rehabilitation)

5225-002-0001 5225-101-0001

176 **Technical Adjustment.** Senate \$0

Governor proposed series of technical adjustments to CDCR's budget that shift existing funding amounts Assembly among the department's budget programs and schedules. \$0 This request does not reflect any changes to CDCR's operations. Difference

Senate denied without prejudice.

Assembly approved as budgeted.

5225	Corrections and Rehabilitation
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Issue	Description	Difference	Conference Action
	<u>-</u>	(dollars in thousands)	

Difference

\$0

### 5225-301-0660 (California Department of Corrections and Rehabilitation)

802 **San Quentin State Prison: Condemned Inmate** Senate Complex. \$0

> **Governor** did not have a proposal. Assembly \$0

**Senate** approved budget bill language to restrict expenditures for the construction of the new facility to house inmates on death row until specified conditions are met. Specifically, those conditions are that (1) the department determines that it can legally double-cell inmates on death row, and (2) the prison overcrowding issue in front of the Supreme Court is resolved.

**Assembly** did not hear this issue.

Item 5225 -